

BEFORE THE NEVADA GAMING COMMISSION  
AND THE STATE GAMING CONTROL BOARD

\_\_\_\_\_  
In the Matter of

THE PROMUS COMPANIES INCORPORATED  
AND  
EMBASSY SUITES, INC.

(Registration) \_\_\_\_\_

THIRD REVISED ORDERS OF REGISTRATION

THIS MATTER came on regularly for hearing before the State Gaming Control Board ("Board") on January 11, 1995, before the Nevada Gaming Commission ("Commission") on January 25, 1995, at Las Vegas, Nevada; and

THE BOARD AND COMMISSION having considered all information pertinent hereto;

IT IS HEREBY ORDERED BY THE NEVADA GAMING COMMISSION UPON THE RECOMMENDATION OF THE STATE GAMING CONTROL BOARD:

1. THAT the following applications, as amended and supplemented, have been filed:
  - a. The applications of The Promus Companies Incorporated and Embassy Suites, Inc. for an amendment to its Orders of Registration; and
  - b. The application of Harrah's Las Vegas, Inc. for licensure to conduct off-track pari-mutuel wagering.
2. THAT the Second Revised Orders of Registration of The Promus Companies

Incorporated and Embassy Suites, Inc., dated July 22, 1993, are hereby amended and restated, in their entirety, by this Third Revised Orders of Registration.

3. THAT The Promus Companies Incorporated is registered as a publicly traded corporation and is found suitable as the sole shareholder of Embassy Suites, Inc.

4. THAT Embassy Suites, Inc. is registered as a publicly traded corporation and is found suitable as the sole shareholder of Harrah's.

5. THAT Harrah's is registered as an intermediary company and is found suitable as the sole shareholder of Harrah's Club and Harrah's Laughlin Inc.

6. THAT Harrah's Club is registered as an intermediary company; is found suitable as the sole shareholder of Harrah's Las Vegas, Inc.; is licensed as a manufacturer and distributor, subject to such conditions or limitations as may be imposed by the Commission; that Harrah's Club, dba Harrah's Casino Hotel Reno, is licensed to conduct off-track pari-mutuel wagering and nonrestricted gaming operations, including a race book and sports pool, at 219 North Center Street, Reno, subject to such conditions or limitations as may be imposed by the Commission; and that Harrah's Club, dba Harrah's Casino Hotel Lake Tahoe and dba Bill's Lake Tahoe Casino, is licensed to conduct nonrestricted gaming operations, including a race book and sports pool, at Highway 50, Stateline, subject to such conditions or limitations as may be imposed by the Commission.

7. THAT Harrah's Las Vegas, Inc., dba Harrah's Casino Hotel Las Vegas, is licensed to conduct off-track pari-mutuel wagering and nonrestricted gaming operations, including a race book and sports pool, at 3473 Las Vegas Boulevard South, Las Vegas, subject to such conditions or limitations as may be imposed by the Commission.

8. THAT Harrah's Laughlin, Inc., dba Harrah's Casino Hotel Laughlin, is licensed to conduct nonrestricted gaming operations, including a race book and sports pool, at 2900 South Casino Drive, Laughlin, subject to such conditions or limitations as may be imposed by the

Commission, and is licensed as a distributor, subject to such conditions or limitations as may be imposed by the Commission.

9. THAT Embassy Suites, Inc. is granted approval, pursuant to NGC Regulation 15.585.7-2, to pledge the common stock of Harrah's to Bankers Trust Company only in connection with the "Credit Agreement among The Promus Companies Incorporated, Embassy Suites, Inc., Certain Subsidiaries of Embassy Suites, Inc. Various Banks, Bankers Trust Company, The Bank of New York, Credit Lyonnais, Atlanta Agency and the Sumitomo Bank, Limited, New York Branch, as Agents and Bankers Trust Company, as Administrative Agent," dated July 22, 1993 (collectively, with all the exhibits thereto and related agreements, the "Credit Agreement"), provided that: (a) a copy of the fully executed Credit Agreement, and all exhibits therein and related thereto in the form of the draft dated July 3, 1993, must be filed with the Board within five (5) days after execution of the same; (b) the prior approval of the Commission must be obtained before any foreclosure or transfer of the possessory security interests in such common stock (except back to Embassy Suites, Inc.) and before any other resort to such common stock collateral or other enforcement of the security interests in such common stock may occur; and (c) pursuant to NGC Regulation 8.030(4)(a), the common stock certificates of Harrah's evidencing said pledge of common stock must at all times remain physically within the state of Nevada at a location designated to the Board and must be made available for inspection by agents or employees of the Board immediately upon request during normal business hours.

10. THAT Embassy Suites, Inc. is granted approval, pursuant to NGC Regulation 15.585.7-3, to place restrictions upon the transfer of, and to agree not to encumber, the common stock of Harrah's only in connection with the Credit Agreement.

11. THAT Harrah's is granted approval, pursuant to NRS 463.510(1) and NGC Regulation 15.585.7-2 to pledge the common stock of Harrah's Club and Harrah's Laughlin, Inc. to Bankers Trust Company only in connection the Credit Agreement, provided that; (a) copy of

the fully executed Credit Agreement, and all exhibits therein and related thereto in the form of the draft dated July 3, 1993, must be filed with the Board within five (5) days after execution of the same; (b) the prior approval of the Commission must be obtained before any foreclosure or transfer of the possessory security interests in such common stock (except back to Harrah's) and before any other resort to such common stock collateral or other enforcement of the security interest in such common stock may occur; and (c) pursuant to NGC Regulations 15.510.1-3 and 8.030(4)(a), the common stock certificates of Harrah's Club and Harrah's Laughlin, Inc. evidencing said pledge of common stock must at all times remain physically within the state of Nevada at a location designated to the Board and must be made available for inspection by agents or employees of the Board immediately upon request during normal business hours.

12. THAT Harrah's is granted approval, pursuant to NGC Regulations 15.510.1-4(a) and 15.585.7-3, to place restrictions upon the transfer of, and to agree not to encumber, the common stock of Harrah's Club and Harrah's Laughlin, Inc. only in connection with the Credit Agreement.

13. THAT Harrah's Club is granted approval, pursuant to NRS 463.510(1) to pledge the common stock of Harrah's Las Vegas, Inc. to Bankers Trust Company only in connection with the Credit Agreement, provided that: (a) a copy of the fully executed Credit Agreement, and all exhibits therein and agreements related thereto in the form of the draft, dated July 3, 1993, must be filed with the Board within five (5) days after execution of the same; (b) the prior approval of the Commission must be obtained before any foreclosure or transfer of the possessory security interests in such common stock (except back to Harrah's Club) and before any other resort to such common stock collateral or their enforcement of the security interests in such common stock may occur; and (c) pursuant to NGC Regulations 15.510.1-3 and 8.030(4)(a), the common stock certificates of Harrah's Las Vegas, Inc. evidencing said pledge of common stock must at all times remain physically within the state of Nevada at a location

designated to the Board and must be made available for inspection by agents or employees of the Board immediately upon request during normal business hours.

14. THAT Harrah's Club is granted approval, pursuant to NGC Regulation 15.510.1-4(a), to place restrictions upon the transfer of, and to agree not to encumber, the common stock of Harrah's Las Vegas, Inc. only in connection with the Credit Agreement.

15. THAT pursuant to NRS 463.625, The Promus Companies Incorporated is hereby exempted from compliance with NRS 463.585 through NRS 463.615, inclusive, and shall instead comply with NRS 463.635 through NRS 463.645, inclusive, except for NRS 463.635(1)(a)(1) and in lieu thereof is required to maintain its stockholders list at the Company's executive offices in Memphis, Tennessee, and that The Promus Companies Incorporated is required to pay all costs incurred by the Board to review said stockholders list so long as The Promus Companies Incorporated is a registrant.

16. THAT The Promus Companies Incorporated is hereby exempted from compliance with NGC Regulation 15 and shall instead comply with NGC Regulation 16, provided that, The Promus Companies Incorporated shall not sell or transfer beneficial ownership of any voting securities of Embassy Suites, Inc. without the prior approval of the Commission.

17. THAT pursuant to NRS 463.625, Embassy Suites, Inc. is hereby exempted from compliance with NRS 463.585 through NRS 463.615, inclusive, and shall instead comply with NRS 463.635 through NRS 463.645, inclusive.

18. THAT Embassy Suites, Inc. is hereby exempted from compliance with NGC Regulation 15 except for the provisions of NGC Regulations 15.585.4-1 and 15.585.7-6, and shall instead comply with NGC Regulation 16; provided that, The Promus Companies Incorporated shall not sell or transfer beneficial ownership of any voting securities of Embassy Suites, Inc. without the prior approval of the Commission.

19. THAT The Promus Companies Incorporated shall fund and maintain with the Board a revolving fund in the total amount of \$25,000 for the purpose of funding investigative reviews by the Board for compliance with the terms of these Revised Orders of Registration. Without limiting the foregoing, the Board shall have the right, without notice, to draw upon the funds of said account for the payment of costs and expenses incurred by the Board or its staff in the surveillance, monitoring and investigative reviews of all activities, of The Promus Companies Incorporated, Embassy Suites, Inc., Harrah's, Harrah's Las Vegas, Inc., Harrah's Club, and Harrah's Laughlin, Inc., and their affiliated companies.

20. THAT the Commission hereby expressly finds that the exemptions hereinabove granted are consistent with the State policy set forth in NRS 463.0129 and NRS 463.489.

ENTERED at Las Vegas, Nevada, this 25th day of January 1995.